NOVA SCOTIA

Agriculture and Fisheries

106-03838/

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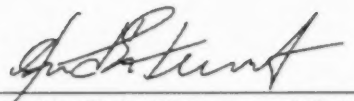
Message from Minister and Deputy Minister

It is with pleasure that we present the 2005-2006 Business Plan for the Department of Agriculture and Fisheries. The plan describes the opportunities and challenges facing our client industries, agriculture and fisheries, and identifies medium to long-term goals that the department wishes to achieve and immediate priorities that will help the department and industry address the challenges, seize opportunities and achieve the identified goals. The priorities are in line with the Government's broad objectives and priorities and with the department budgetary allocation.

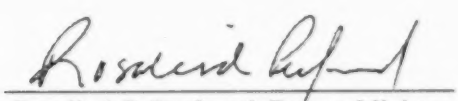
Developing competitive agriculture, fisheries and food businesses that create economic growth and employment in rural and coastal communities continues to be a priority for the department. To achieve this, the department will develop a new aquaculture development strategy to grow the industry to the next level of production. The marine fisheries in the province continue to perform well posting strong landed values and exports. The Canada-Nova Scotia Implementation Agreement for the Agriculture Policy Framework (APF), entering its third year, has set a long-term, strategic framework for agriculture. The department will continue to work in partnership with industry to maintain strong performance, identify issues and needs, address challenges, articulate expected outcomes and develop strategies to achieve growth in the industries through the 2005-2006 priorities.

The department will also implement its Investment Plan to ensure that economic growth is experienced by members of the agriculture and fisheries industries. The plan is designed to enhance future growth of the Nova Scotia agriculture and fisheries industries by increasing domestic and foreign direct investment in areas of high end value adding, primary production, life sciences, aquaculture, boat building, and in succession planning in the sectors. The department will also be a partner in the Brand Nova Scotia initiative to present Nova Scotia as an excellent investment location.

We are committed to providing the necessary support to enable the department to meet the priorities as set out in the 2005-2006 Business Plan.



Honourable Chris d'Entremont, Minister



Rosalind C. Penfound, Deputy Minister

LINK TO THE GOVERNMENT BUSINESS PLAN

The Department of Agriculture and Fisheries contributes to the government's six core businesses: Health and Health Care, Education, The Economy, Families and Communities, The Environment and Government Services.

MISSION

To foster prosperous and sustainable agriculture and fisheries industries through the delivery of quality public services for the betterment of rural and coastal communities and of all Nova Scotians.

PLANNING CONTEXT

The Department of Agriculture and Fisheries has a legislated mandate to promote, support and develop the agriculture, aquaculture, fishing and food industries, recognizing that these two sectors are economic engines of Nova Scotia's rural and coastal communities. The department is structured to service the needs of industry consisting of four broad service areas, a centralized policy and planning division, communications, an alternative service delivery agency - AgraPoint International Inc., and the Nova Scotia Agricultural College (NSAC).

Agriculture Services provides regional agricultural services; land protection; environmental management including integrated pest management; 4-H and rural organizations; agricultural awareness; industry development programs; business risk management; crop and livestock insurance; and orderly production and supply of major farm products.

Fisheries and Aquaculture Services provides advisory, coastal zone management, fish health, extension and regional field services to the recreational and commercial fisheries. It also provides assistance with development of innovative technologies and manages the aquaculture, inland fisheries, which includes two fish hatcheries, and rockweed resources.

Legislation and Compliance Services licenses fish plants/ buyers, meat processing, retail food outlets and restaurants, fur and game farms, and oversees activities related to food and consumer safety, as well as on-farm quality evaluation. It is also responsible for monitoring and enforcing compliance with departmental regulations.

Industry Development and Business Services integrates marketing, product and quality development, business development and economic services, and two business development agencies: the Farm Loan Board and the Fisheries and Aquaculture Loan Board.

Policy and Planning provides corporate support to departmental policy and planning activities, including legislative/ regulatory development, in fulfilment of the department's mission and broad government priorities. It is also responsible for the administration of the Freedom of Information and Protection of Privacy Act, the Records Management and Occupational Health and Safety programs.

NS Agricultural College (NSAC) provides education and training to the agricultural, agri-food and aquaculture industries. Working in co-operation with industry and government, the NSAC is a centre of agricultural expertise throughout Atlantic Canada.

AgraPoint International Inc. is an alternative service delivery mechanism operating at arms-length from government. It was established in 2000 to provide technical advice to the agriculture industry. A team of experts provide agricultural development and consulting services to agri-businesses and associations in areas including livestock, horticulture and field crops and integrated pest management. AgraPoint is accountable to the department through its own business plan and annual report.

CORE BUSINESSES, GOALS & PROGRAMS*

Core Business 1: Sustainable Resource Management

Goal 1 - Environmentally and socially responsible development of the agriculture, fisheries and aquaculture industries.

Programs and Services:

- Agriculture resource management
- Aquaculture resource management
- Inland fisheries resource management
- Marine resource management

Core Business 2: Industry Growth and Development

Goal 2 - Effective business risk management and strategic response in the client sectors.

Goal 3 - Competitive agriculture, aquaculture, fisheries, and food businesses that create economic growth and employment in rural and coastal communities.

Programs and Services:

- Agriculture development, extension services, investment and risk management
- Agriculture insurance
- Aquaculture development and extension services
- Commercial fisheries development
- Inland fish stocking
- Lending services
- Business development and economic analyses
- Product and quality development
- Market services

Core Business 3: Responsible Governance

Goal 4 - Orderly development of the agriculture, fisheries and food industries.

Programs and Services:

- Fisheries licensing and enforcement
- Laboratory services
- Food safety
- Animal health
- Fish health
- Natural products marketing

Core Business 4: Education and Life Long Learning

Goal 5 - Increased expertise and excellence in Nova Scotia's agricultural, agri-food and aquaculture industries through teaching, research, community services and youth development.

Programs and Services:

- Post-secondary education and research (NSAC)
- Agricultural outreach and youth

*Descriptions of ongoing department programs and activities can be found in Appendix A

OPPORTUNITIES AND CHALLENGES

Agriculture and fisheries are vital economic contributors as identified in the province's Economic Growth Strategy, "*Opportunities For Prosperity*." These two primary sectors, together with the food manufacturing industry employ 30,000 Nova Scotians. Another 44,000 Nova Scotians are employed in food distribution and service industries. Farm cash receipts for 2004 have been projected at $455 million. The agri-food sector inclusive of processing contributes $695 million in value added to the provincial GDP. The value of fish landings for 2003 was $801 million. Altogether our industries (primary fishing, primary agriculture, seafood products preparation and packaging and other food manufacturers) reported exports of approximately $1.4 billion in 2003.

The department will continue to address matters related to the environment, industry growth, food safety, animal and fish health, and education and training. The following captures the opportunities and challenges that will be addressed in the 2005-2006 business plan.

Environment

Environmental issues related to water, air and soil quality continue to be addressed. Climate change impacts fish habitat and the introduction warm water species. Land use conflicts and additional compliance requirements associated with federal environmental legislation require new ways of delivering programs under the Canada-Nova Scotia Implementation Agreement for the Agriculture Policy Framework (APF).

The department responds to environmental concerns and works with industry to balance development with environmental and social responsibility. The introduction of a habitat stamp to recreational fishing licenses provides an opportunity to increase habitat conservation. These efforts are long-term and require innovative solutions through applied research, new technology and adoption of best practices.

Legislative initiatives and policies, such as the federal Species At Risk Act (SARA) are part of a growing regulatory environment in which agriculturists, aquaculturists and fish harvesters must operate and which may impact access to marine species, harvesting grounds and farm lands. The department monitors the impacts of these legislative/regulatory developments and works with stakeholders to develop strategies and bring forward industry concerns.

Industry Growth and Development

The agriculture and fisheries industries work in a dynamic business climate affected by regulations, tax regimes, consumer trends, trade issues and international marketing. Nova Scotia's agri-food and seafood businesses have had to respond to new market developments, such as the United States' Bio-terrorism Act. Markets are seeking diversified products, such as organics and convenience foods, and improved customer service. The challenge is to remain competitive in the face of these forces that tend to increase costs of production and impact profit margins. Nova Scotia will respond by building on its reputation for high quality, safe food, its commitment to environmentally responsible resource development and its efforts to develop customer-driven products through innovation.

Nova Scotia agri-food and seafood sectors face internal and external competition in products such as hogs, beef, saltfish, frozen fish and farmed salmon. They also face gaps in business development with financial, human resource and market and product management skills. The food processing sector is facing productivity challenges, including aging plants and technology and cost competitiveness of labour compared to other areas of the world. The growing entry of products from countries like China and Chile, which have lower production costs, is making an impact. Increasing business risk management responses and contingency planning are required in the face of global economics, diseases, natural disasters and multi-national food entities. Designing effective, timely, and flexible programs within current fiscal restraints, while meeting industry and government expectations in areas of development and risk management is a challenge.

The Nova Scotia fish and seafood industry is dependent on the US market. This increases its vulnerability and market risk. Bio-terrorism regulations and the weakening of the US dollar have only intensified this risk. The weakening US dollar is making Canadian exports more expensive in the US market. Diversifying markets for Nova Scotia products will reduce the risk and demonstrate that Nova Scotia businesses are flexible, can ship anywhere and are constantly seeking and seizing new market opportunities. Internal trade issues related to the boat building, crab processing and mussels sectors also remain challenges.

Aquaculture offers development opportunities for many coastal regions. Public concern with environmental impacts, fish and shellfish diseases, and few development dollars are challenges for this sector. Proponents of aquaculture sites in the province must go through two to three years of environmental assessments requiring significant investment in time and finances. This complex and lengthy approval process impedes the development of the sector and will be made more efficient. Significant investment has been made to develop new farmed species, such as cod and halibut, and the province is a leader. The next step is to enable the commercialization of these new aquaculture species.

Increased market demands for food safety and security offer product and service opportunities. Tracking and tracing throughout the market chain, such as Hazard Analysis Critical Control Point (HACCP)/HACCP plus) and Quality Management Program (QMP), provide opportunities to meet food certification standards in the European Union and Homeland Security measures in the US. In the animal processing sector, the Canadian Food Inspection Agency's (CFIA) intention to completely ban Specified Risk Material (SRMs) from the food chain represents a

priority challenge for the department and may have a direct impact on primary producers and processors. The department will respond to these challenges and opportunities by working with Nova Scotia businesses to demonstrate our products are safe and secure beyond current international standards of practice.

Diversification and value-adding opportunities, such as life sciences and health products (nutraceuticals and pharmaceuticals - Omega 3) and agri-tourism products present opportunities. The province must identify and develop new products, services, technologies and market opportunities. This includes differentiating our products by adding value through food safety and security, customer service, customer-driven products and packaging, and efficient and effective distribution channels.

Food Safety
Markets and consumers seek assurances that the food they purchase is safe and of high quality. To address this desire, the department must address production and product standards, food labelling and traceability, monitoring and inspection, bio-security protocols, food handling education, and analytical testing. Continuing to implement food safety programs under the APF, as well as an integrated Food Safety System, enables the province to brand its food products as meeting and exceeding standards of quality and safety, sharpening its competitive edge in domestic and export markets. Demand for inspection of eating establishments continues to increase significantly due to the rapid growth of new restaurants in the urban areas of the province. Emergency response, emerging animal health and disease prevention issues are challenges. The department will work with industry to deal with these issues and meet evolving compliance requirements, which place a significant strain on human and financial resources within the department.

Rationalization of laboratory services across the Maritime region will provide an opportunity to create centres of excellence and better service delivery for the industry. Regionalization initiatives such as a Maritime dairy laboratory will provide opportunities for the department to provide positive alternative laboratory service delivery.

A regulatory, policy and procedural review of animal health services will provide new opportunities. The passage of new food safety regulations, with implementation in 2005-06, will provide a regulatory framework that is less intrusive and more equitable across the entire province.

Education and Training
Education and Training will continue to be a focus for 2005-2006 as the Province addresses labour market needs through the *Skills Nova Scotia Framework* initiative. This initiative will provide ongoing opportunities for Nova Scotians to respond to changes in the labour market. The NSAC provides quality education and training to fill growing employment opportunities in the agriculture, aquaculture, and food industries. There are some challenges, including declining student enrollment and aging infrastructure, which are creating significant fiscal pressures. Universities operate in a competitive environment vying to attract as many students as possible to its programs, while keeping tuition and other student costs attractive to students.

In 2002-2003, NSAC developed a strategic plan. *"Looking Outward - Embracing Change"*, to address challenges and take advantage of emerging opportunities including internationalization, environmental and life sciences. Development of academic programs to meet the modern challenges of an evolving labour force, excellence in academic programming, resource management and the environment, research and innovation, and globalization requires interdisciplinary and inter-institutional approaches, along with partnership arrangements with other universities, colleges, and industry.

The base of endowed funding at NSAC represents less than ten percent of funding available for scholarships. There is a need to increase this base to secure the future of the scholarship programs and to compete for students. A program of matching private fundraising efforts to build the endowments held by the NSAC Foundation will be considered.

NSAC will continue to provide practical research aimed at helping industry with competitiveness and growth. There is an intensified demand on the NSAC's physical infrastructure for research facilities. Researchers at NSAC have been very effective in obtaining dedicated-purpose funding for their research projects, for Canada Foundation for Innovation (CFI)-funded infrastructure and for Atlantic Innovation Foundation (AIF)-funded projects. This growing research activity requires physical plant and administrative support, which requires the allocation of additional resources to this area.

Commercialization of research and innovation is a priority in industry and government circles. There is increased need for support for business incubation and development through commercialization facilities. Support for the development of AgriTECH Park, a business development site mandated to support development and innovation in agriculture, is critical and provides opportunities for business incubation and development. Bio-product development is key for agricultural research. There is a need for a university to provide research that will assist industry in the development of novel bio-based products that can be marketed to the world economy. Effective industry liaison and commercialization of the results of university research is necessary. The NSAC is well positioned to play such a role.

The department also delivers the 4-H program which focusses on leadership and skill development among rural youth. The program seeks to enhance understanding and knowledge of Nova Scotia's agriculture industry through hands-on experiences and mentors youth in developing a range of life skills, such as public speaking, community activism and volunteerism, networking and team building. 4-H members also act as ambassadors for the farming community in raising awareness of the economic and social importance of the industry to Nova Scotia.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Through the department's review of external and internal challenges, the goals, priorities, strategies and measures described below have been identified. They are organized by core business area. The priorities identified for 2005-2006 complement and strengthen the ongoing activities of the department. Some new measures have been selected for 2005-2006 to more accurately measure outcomes and to reflect new programs and shifts in areas of emphasis within some core businesses. Additional information on department programs and activities can be found in Appendix A.

Core Business One: Sustainable Resource Management

Goal One: Environmentally and socially responsible development of the agriculture, fisheries and aquaculture industries

What it means

This goal recognizes that long-term industry growth and sustainability arise from balancing industry development with environmental and social responsibility through applied research, technology transfer, generally accepted management principles and industry and public awareness. The department contributes to this goal by encouraging the agriculture, aquaculture and fisheries industries to move closer to being economically viable, environmentally sound and socially acceptable.

It is the role of the department to address resource protection, best management practices, water management issues, and environmental and habitat impacts. The department also delivers environmental initiatives identified under the Canada-Nova Scotia Implementation Agreement for the Agricultural Policy Framework (APF), agriculture resource stewardship and field services, water resource management, aquaculture environmental monitoring, inland fisheries resource management and coastal zone management.

Priority *- Implement strategic initiatives to address environmental issues in the agriculture, fisheries and aquaculture industries.*

Strategies & Actions

- Implement the third year of the Environment Chapter of the Canada-Nova Scotia Implementation Agreement for the APF, including continued environmental farm planning and promotion of sustainable management of the province's soil, water, air and biodiversity resources;
- Develop Codes of Practice for agricultural application of biosolid waste;
- Continue to develop and deliver the Aquaculture Environmental Monitoring Program (EMP);
- Develop and implement aquatic Species at Risk (SARA)-related strategies;
- Continue to actively participate in the Gulf of Maine Council on the Marine Environment, and champion departmental and provincial priorities within the Council's current Action Plan and in the development of the 2007-2012 Action Plan.
- Implement a new angling license stamp to address freshwater fish habitat restoration in cooperation with recreational fishing and community groups;
- Ensure rockweed leases are managed to ensure optimal development of the resource;
- Continue to develop and deliver climate change initiatives in accordance with Kyoto commitments.

Measures	Last Actual[1]	Target 2005-2006	Target 2006-2007	Target 2007-2008
Percentage of registered farms participating in the Province's Environmental Farm Plan (EFP) Initiative	20	30	40	50
Percentage of active aquaculture sites monitored under the Environmental Monitoring Program (EMO)	60	75	90	100
Number of Fish habitat restoration projects completed	new program	15	20	25

Core Business Two: Industry Growth and Development
Goal Two: Effective business risk management and strategic response in the agriculture sector.

What it means
This goal focuses on the need for predictability and planning in the agriculture industry, which is affected by unforseen weather disasters, disease and global market influences. Business risk management programs, designed to encourage producers to take proactive steps to mitigate and reduce business risks and manage them more strategically, improve long-term stability and self-sufficiency in agriculture. The department contributes to this goal by providing support through programs such as the Canadian Agricultural Income Stabilization (CAIS) Program, Production Insurance (PI), and disaster recovery initiatives.

To achieve this goal, the department will continue to implement the Business Risk Management and Renewal Chapters of the Canada-Nova Scotia Implementation Agreement for the APF, and deliver integrated risk management, farm investment and agriculture development, and credit and financing services.

Priority *- Increase awareness and participation in Business Risk Management programs under the Canada-Nova Scotia Implementation Agreement for the APF.*

Strategies & Actions
- Continue to implement Business Risk Management Chapter of the Canada-Nova Scotia Implementation Agreement for the APF, including:
  - Transition from former safety net programs to the new Canadian Agricultural Income Stabilization (CAIS) program
  - Evolution from Crop Insurance to Production Insurance.
  - Provide education and promotion activities to increase awareness and participation in Business Risk Management programs.

[1] "Last Actual" figures are for 2004 unless otherwise noted.

Measures	Last Actual[1]	Target 2005–2006	Target 2006–2007	Target 2007–2008
Percentage of Provincial Farm Reference Margin Protected by CAIS	78	80	82	86
Total Insurance Coverage (millions)	$54.0	$54.2	$84.0	$86

Goal Three: Competitive agriculture, fisheries, and food businesses that create economic growth and employment in rural and coastal communities.

What it means
This goal recognizes that industry growth is the outcome of long-term profitability resulting from competitive agriculture, aquaculture, fisheries and food industries focussed on market and product opportunities. This goal focuses on Nova Scotia's rural and coastal communities by investing in new production and market opportunities. The department contributes to this goal by encouraging new and diversified product development, investment, and facilitating sustainable growth in established sectors.

It is the role of the department to enhance market access and product development and improve business services to the agriculture, aquaculture, fisheries and food industries. These services include financing services, business development and entrepreneurial initiatives, market research and intelligence, product development support, and technology and infrastructure enhancement.

To achieve this goal the department will develop a new aquaculture growth strategy, produce industry development strategies, work with industry and government agencies to address trade issues such as the United States' cross border regulations aimed at bio-terrorism, develop emerging market opportunities, and promote and encourage value-added development. The department will also encourage investment in rural and coastal communities by encouraging immigration and investment in agriculture and fisheries; providing lending and investment, marketing, product development and innovation, business development and economic analysis, commercial and recreational fisheries development, and facilitation of capital investment.

***Priority** - Increase the growth and value of the province's agri-fish and food sectors through strategic planning, expansion, and diversification of market, product, service and technology opportunities.*

Strategies & Actions
- Develop renewal and growth strategies for the agri-food and seafood processing sector;
- Facilitate the development of new products and processes aimed at capturing development and value-added market opportunities, in agri-tourism and new bio-products;
- Develop and implement sector development and marketing strategies for agriculture and fisheries sectors, including selected seafood sectors, pork, horticulture, organic agriculture, tree fruit and wine.
- Promote the export of fish and agri-food products by increasing sustainable and value-added seafood and agri-food production;

- Develop a new growth strategy for the aquaculture industry and implement the results of the Guysborough County aquaculture pilot project to increase aquaculture development;
- Develop commercial and recreational fisheries for new and traditional species;
- Provide opportunities for recreational fishing of more productive natural species through stocking programs;
- Assist the Nova Scotia seafood and agri-food industries to diversify and develop new market opportunities through research and tactical initiatives.

Priority *- Increase domestic and international competitiveness of the province's agri-fish and food sectors through targeted business development initiatives and sector development strategies.*

Strategies & Actions

- Enhance the domestic and international presence of Nova Scotia products through participation in trade initiatives, Brand Nova Scotia and Taste of Nova Scotia;
- Deliver business and technical services that support improved efficiency in agri-food and seafood processing and production;
- Assist industry to capture value-added market opportunities, including the adaptation of Nova Scotia products for introduction in to the Japanese market;
- Develop direct to consumer market opportunities for Nova Scotia agri-food and seafood businesses;
- Work with beef and livestock industry and government partners to promote greater value adding and explore expansion of beef slaughter capacity;
- Support the Nova Scotia Cattle Producers Association in the implementation of the Nova Scotia Cattle Marketing Plan;
- Promote fishing gear and boat building exports by linking supplementary fishing products and boat building with international opportunities;
- Provide, in cooperation with government partners, counseling and training on the new nutritional labeling and claims regulations for Canada;
- Encourage and promote the adoption of tracking and tracing systems by the Nova Scotia agri-food and seafood industries to meet retail and food service specifications.

Priority *- Expand and develop agriculture, fisheries and food sector investment initiatives and partnerships.*

Strategies & Actions

- Implement the Nova Scotia Department of Agriculture and Fisheries Investment Plan, focused on:
  - marketing Canada and Nova Scotia as an attractive investment destination through joint partnerships;
  - developing a profile of the investment needs and opportunities that exist in the agriculture, fisheries and food industries and exploring investment options;
  - developing a targeted foreign investors attraction plan and participating in the Provincial Immigration Strategy;

- Continue to provide lending products and services through the Farm and Timber Loan Board, Fisheries and Aquaculture Loan Board, and the New Entrants to Agriculture program;
- Develop credit facilities for the tree fruit industry and boat building prototype development.

Measures	**Last Actual**	**Target 2005–2006**	**Target 2006–2007**	**Target 2007–2008**
Value of sales resulting from market development projects and tactics (millions)	$2	$4	$5	$6
Number of new product and market opportunities pursued	1 new geographic area	1 new geographic area	1 new geographic area	1 new geographic area
	1 new product	1 new product	1 new product	1 new product
Number of market research and information products developed	10	12	12	12
Number of companies or organizations approved for new product and technology development projects	21	24	27	30
Ratio of Product and Quality Development (PQD) program funding invested to total R&D invested through PQD projects[2]	31.5%	29%	26%	25%
Number of businesses to capture new business opportunities	new measure	50	55	60
Percentage increase in loan portfolios[3]	0.4	0.5	0.6	0.7

[2] This measures the amount of funding leveraged from other sources by PQD program funding. The goal here is to leverage more R&D investment from other sources causing the relative share of investment by PQD to decrease.

[3] This measures refers to lending provided through the Fisheries and Aquaculture and Agriculture and Timber Loan Boards.

Core Business Three: Responsible Governance
Goal Four: Orderly development of the agricultures, fisheries, aquaculture and food industries.

What it means
This goal recognizes that the orderly development of the agriculture, aquaculture, fisheries and food industries, together with a reputation for excellence in food and consumer safety are essential to maintain consumer confidence and expand both domestic and international markets.

The department contributes to this goal by encouraging and promoting the implementation of food safety control systems throughout the food production continuum through the development and administration of food safety legislation, regulations, policy and inspection and surveillance systems. The department also contributes to this goal by maintaining a regulatory environment that enables business development, establishes a level playing field while not being unnecessarily burdensome for business operators.

To achieve this goal, the department provides training to identify and handle animal health and disease issues, provides laboratory services, conducts meat, dairy and food safety inspections, evaluations and investigations, applies and enforces licensing requirements through a formal regulatory and policy framework, and issues licenses for fish plants and buyers, retail food outlets and restaurants, fur and game farms, aquaculture sites and the rockweed resource.

***Priority** - Achieve further improvements and provide leadership in the area of food chain safety and security, including public health/food safety and animal health/disease prevention.*

Strategies
Improve animal health and disease prevention efforts:
- finalize and implement the Foreign Animal Disease Eradication Support Plan (FADES).
  - provide training to department staff, veterinary practitioners, and commodity groups to identify and deal with fish and animal health and disease issues;
  - review animal health and disease prevention policies and regulations to identify outdated regulations and regulatory gaps, and develop and implement new policies, regulations operating procedures and delivery mechanisms;
- Continue to develop the National Aquatic Animal Health Program (NAAHP);
- Work with industry and government partners to provide input into the Canadian Food Inspection Agency (CFIA) on completely removing Specified Risk Materials (SRMs) from the food chain;
- Improve food safety efforts by reviewing the delivery of food safety programs to identify areas for improvement and achievement of further efficiencies, and finalize and implement the Food Inspection MOU with CFIA.

***Priority** - Achieve further efficiencies in the licensing functions.*

Strategies
- Continue to seek enhancements of licensing and inspection/enforcement functions
- Develop a formal regulatory and policy framework to provide industry with equitable licensing regulations and consistent license requirements.

Priority *- Implement regional delivery of compositional dairy testing services and rationalization of laboratory services (Maritime Centres of Excellence).*

Strategies

- Improve laboratory service delivery:
  - develop a dairy compositional laboratory regionalization initiative via an Alternative Service Delivery (ASD) Committee and consult with other provincial governments toward rationalization of laboratory service delivery (Maritime Centres of Excellence);
  - apply for Veterinary Pathology accreditation with Standards Council of Canada, and for a scope expansion under current Laboratory Services accreditation program.

Priority *- Review and revise departmental statutes, regulations and policies in accordance with the Red Tape Reduction Initiative.*

Strategies

- Continue the review of regulations and committees within the department, and revise outdated regulations and repeal redundant regulations or committees.

Measures	Last Actual	Target 2005–2006	Target 2006–2007	Target 2007–2008
Percentage increase in food handler education	new measure	Benchmark	TBD based on benchmark	TBD based on benchmark
Percentage of Nova Scotia-licensed food processing plants that have implemented appropriate food safety process control systems	new measure	Benchmark	TBD based on benchmark	TBD based on benchmark
Rationalization achieved in laboratory services	n/a	Examples to be provided	Examples to be provided	Examples to be provided
Percent adherence to the Food Safety part of the Health Protection Act	new measure	Benchmark	TBD based on benchmark	TBD based on benchmark
Percentage of licensed sites meeting animal care standards	new measure	Benchmark	TBD based on benchmark	TBD based on benchmark
Statutes and regulations reviewed by the department	n/a	Examples to be provided	Examples to be provided	Examples to be provided

Core Business Four: Education and Life Long Learning
Goal Five: Increased expertise and excellence in the province's agricultural, agri-food and aquaculture industries through teaching, research, community services and youth development.

What it means
This goal recognizes that providing access to high quality agricultural education programs and the ability to generate new knowledge through research are vital for the stability and sustained growth in the province's agriculture and aquaculture sectors. The department, through the Nova Scotia Agricultural College (NSAC), contributes to this goal by offering a broad range of post-secondary educational programs, training and research for the agriculture and aquaculture industries.

It is the role of the department, through the NSAC to increase expertise and excellence in the province's agriculture, agri-food and aquaculture industries by preparing Nova Scotians for a global labour market. Major focus areas for academic and applied research include climate change, horticulture, organic agriculture, animal husbandry, product quality enhancement, and water, soil and farm waste management.

Priority *- Implement the Nova Scotia Agricultural College (NSAC) strategic plan.*

Strategies
- Revise the Bachelor of Science in Agriculture degree and develop proposals for a Bachelor of Science degree with programs in Water Management, Plant Biology, Animal Biology, Aquaculture, Molecular Biology, and Resource Economics for implementation in 2006;
- Develop a proposal for a Bachelor of Technology degree in Management in 2005 and implement a Bachelor of Technology major in Applied Science in 2006;
- Develop new Masters of Science programs in resource economics, foods and bio-products, and a Ph.D. program in agricultural science in association with Dalhousie University for implementation in 2006;
- Facilitate capital restoration with focus on renovating, modernizing and expanding student residences to present-day standards;
- Emphasize foreign-student recruitment;
- Emphasize faculty involvement in research and post-graduate training and increase the numbers of grants held by researchers at NSAC from the main scientific granting councils;
- Improve the infrastructure used for research by beginning construction of the poultry research facility.

Measures	Last Actual	Target 2005–2006	Target 2006–2007	Target 2007–2008
Percentage of graduates employed in their field or pursuing further education within one year of graduation	90	94	95	95
Total value of research and infrastructure grants awarded to NSAC researchers	$6.05 M	$5.0 M	$6.1 M	$6.5 M
Number of students enrolled at NSAC	753	770	790	820
Number of international students enrolled at NSAC	27	38	50	57

Corporate Services
Corporate services are composed of the offices of the Minister and Deputy Minister together with the Policy and Planning Division. Communications services are provided by Communications Nova Scotia staff located within the department. Human resources, information technology and financial services are provided through the Resources Corporate Services Unit.

Priority *- Develop and implement a plan for delivering Agriculture and Fisheries programming in French to meet the identified current and potential needs of the department's client sectors.*

In accordance with the French Language Services Act, Bill 111, departments/offices are required to develop plans to guide the provision of appropriate services to the province's Acadian and Francophone communities. Using the departmental/office plans, the Office of Acadian Affairs will compile a corporate French-language services plan that will be used for tracking progress in implementing French language services in the province. The Department of Agriculture and Fisheries will develop and implement a plan for delivering Agriculture and Fisheries programming in French to meet current and potential needs of its clients.

Priority *- Address specific Agriculture and Fisheries areas identified as needing improvement in the Government of Nova Scotia Employee Survey, "How's Work Going?"*

In February 2004, the Nova Scotia Public Service Commission conducted a survey of its employees. The purpose of the survey was to assess the effectiveness of the government's work environment and its ability to engage and motivate employees and support a client focussed culture. This was accomplished by measuring employee opinions, perceptions, and beliefs in 10 areas. The Public Service Commission reported on the results of the survey with breakdowns by department. The Department of Agriculture and Fisheries will develop a plan to address areas identified by its employees in the survey as needing improvement.

***Priority** - Continue to ensure equality of opportunity in departmental hiring and access to employment opportunities within the department for affirmative action candidates.*

The Public Service Commission administers Government of Nova Scotia's Affirmative Action Program through its diversity initiatives, which ensures equality of opportunity in hiring and access to employment opportunities within the civil service to affirmative action candidates. This is accomplished by providing corporate policies and programs to all government departments, agencies, boards and commissions, as well as affirmative action applicants. The Department of Agriculture and Fisheries will enhance its efforts to ensure that equality of opportunity in its hiring practices and access to its employment opportunities is provided to affirmative action candidates.

***Priority** - Develop and implement a communications strategy for the activities and initiatives of the Agricultural Policy Framework (APF) to be delivered to internal and external clients.*

The Communications team will continue to provide consistent, clear and timely information on the department's programs and services. Communications of the various activities under the strategic framework of the APF is an important way to promote and communicate the programs of the APF. This communications effort is a joint effort with the Federal government and is an important contributor to the Federal/Provincial APF Advisory Committee.

Strategies

- Develop and begin implementation of a French Language Services Plan for the Department of Agriculture and Fisheries;
- Develop and begin implementation of a plan to address areas identified by department staff in the employee survey as needing improvement;
- Develop an Affirmative Action Plan for the department.
- Develop and implement the communications strategy for the activities and initiatives of the APF.

Measures	Last Actual	Target 2005–2006	Target 2006–2007	Target 2007–2008
Progress toward implementation of the French-language services plan	n/a	Examples to be provided	Examples to be provided	Examples to be provided
Progress toward address departmental areas of concern as identified in the employee survey	n/a	Examples to be provided	Examples to be provided	Examples to be provided
Progress toward development and implementation of a diversity policy	n/a	Examples to be provided	Examples to be provided	Examples to be provided
Progress toward development implementation of a communications strategy for APF activities and initiatives	n/a	Examples to be provided	Examples to be provided	Examples to be provided

Long-Term Outcome Measures

Measures	Last Actual	Target 2005–2006	Target 2006–2007	Target 2007–2008
Farm gate value of aquaculture output (millions)	$42	$45	$50	$55
Dollar value of sport fishing activities to the province (millions)[4]	$82	$82	$82.5	$83
Domestic value of boat building (millions)	$54	$52	$55	$55
Export value of boat building (millions)	$29	$28	$35	$35
Export value of fish products (billions)	$1.09	$1.3	$1.4	$1.5
Value of agriculture and fisheries exports (billions)	$1.36	$1.7	$1.8	$1.9
Value of agricultural production (millions)	$404 (2003)[5]	$410	$410	$420
Value of food manufacturing value-added (millions)	$695.5 (2002)[6]	$700	$700	$700
Ratio of food manufacturing value-added to the value of shipments of food manufacturers	33.4% (2002)	34%	35%	35%
Dollar value of total capital expenditures in agriculture and fisheries (millions)	$119.2	$120	$120	$120

[4] Figures for Dollar value of sport fishing activities to the province targets are estimates based on a survey conducted every five years. The next survey will be conducted in 2006 for the 2005 fishing year.

[5] "Value of agricultural production figures" for 2004 will be available in Spring 2005.

[6] "Value of food manufacturing value-added" and "Ratio of food manufacturing value-added to the value of shipments of food manufacturers" figures for 2003 and 2004 will be available at a later date.

Budget Context

Estimated Budget Expenditures by Branch			
Programs and Services Area	**2004-2005 Estimate**	**2004-2005 Forecast**	**2005-2006 Estimate**
	$thousands	**$thousands**	**$thousands**
Ordinary Revenues	763	733	763
TCA Purchase Requirements	313	339	460
Net Program Expenses			
Senior Management	835	840	994
Policy & Planning	764	712	722
Agriculture Services	18,663	27,271	18,831
Legislation & Compliance Services	5,362	5,324	5,601
Industry Development & Business Services	4,533	4,863	5,101
Fisheries & Aquaculture Services	3,421	3,424	4,125
NS Agriculture College	7,218	6,995	8,739
Total Net Program Expenses	40,796	49,429	44,113
Provincially funded staff (FTEs)	512.6	505.3	518.7
FTE's			
Senior Management	4.0	4.3	4.0
Policy & Planning	11.0	9.9	11.0
Agriculture Services	70.5	69.1	70.5
Legislation & Compliance Services	82.7	78.7	82.7
Business Services	57.3	55.7	57.3
Fisheries & Aquaculture Services	50.0	48.2	52.0
NS Agriculture College	237.1	239.4	241.2
TOTAL FTE's	512.6	505.3	518.7

Appendix A - Department Programs

Core Business Area: Sustainable resource management

Agriculture resource management encompasses a suite of programs and services that focus on sustainable resource management. Environmental Management addresses resource protection and agricultural best management practices on-farm and delivers the environmental initiatives identified under the Canada-Nova Scotia Implementation Agreement for the APF, including Environmental Farm Planning, and Nutrient and Manure Management. Land Protection is responsible for maintenance of over 17,000 hectares of dykelands and dyke structures, which preserve productive agriculture land. Integrated Pest Management administers and manages regulations aimed at pest control including control of noxious weeds. Water quality and availability are growing areas of environmental concern. Consecutive seasons of drought conditions in the past have raised the awareness of water issues for the agriculture sector. Departmental programs assist farmers address water management issues based on findings from environmental farm plans. The department also cooperates with its federal counterpart, Agriculture and Agri-Food Canada on implementation of federal water initiatives such as delivering the National Water Supply Expansion Program (NWSEP). The NWSEP is a $60 million federal initiative to improve the capacity of agriculture producers to deal with drought situations through an expanded water supply. The program is open for applications and provides funding assistance for infrastructure and strategic studies aimed at addressing long-term solutions to water supply problems. The work of this division is supported by five regional offices which provide an important frontline link between the department and industry for the delivery of services. These regional offices also provide timely information back to departmental managers on a host of issues impacting the farming community.

Agriculture and Fisheries is responsible for aquaculture resource management. The sector offers significant potential for growth but is facing growing public concerns concerning environmental impacts and animal health issues. The department has taken a proactive role in the development of the aquaculture Environmental Monitoring Program, which is a key tool for ensuring sustainable development and management of aquaculture.

Through inland fisheries resource management, the department addresses environmental and habitat impacts on freshwater resources. This work is carried out in close association with stakeholder associations and other government agencies. Staff conduct anglers surveys, biological studies on lakes and streams, field and extension work, as well as public education activities aimed at raising awareness of inland conservation issues. These activities enable the department to determine fishing effort, assess stocks and make resource management decisions. Staff also collaborate with the Department of Natural Resources on enforcement of sportfish regulations, an activity that is well received by the sportfishing community.

Marine resource management is involved with multi-jurisdictional forums and community groups to address environmental issues in the coastal zone. One such initiative is the Gulf of Maine Council on the Marine Environment. The council was established in 1989 by the governments of Nova Scotia, New Brunswick, Massachusetts, New Hampshire and Maine to foster cooperation in the Gulf of Maine watershed. The council's mission is to maintain and enhance environmental quality in the Gulf and to ensure that existing and future generations use the resource in a sustainable fashion.

Core Business Area: Industry development and growth

Agriculture development, investment and risk management delivers the Farm Investment Fund and the Agri-Food Industry Development Fund. These are strategic investment tools aimed at supporting entrepreneurial and marketing initiatives, innovation, business development, food and farm safety, responsible resource management, and agriculture awareness. Primary producers, agri-businesses and industry associations can access cost-shared funding through these programs. The Technology Development 2000 Program invests in applied research in various disciplines supporting the development and adaptation of agricultural technologies and knowledge that will enhance the competitive position of the Nova Scotia agri-food industry.

Business Risk Management Programs are delivered under the Canada-Nova Scotia Implementation Agreement for the APF and include the Canadian Agricultural Income Stabilization Program (CAIS) and Production Insurance. Together, these programs are designed to address income losses due to uncontrollable events, such as natural disasters and animal disease, as well as provide support to enhance farmers' capacity to manage risk. The programs are jointly funded at 60/40 federal/ provincial, thereby leveraging provincial investment for the optimal benefit of NS's agriculture industry.

Lending services are available to the agriculture and fisheries industries through the Farm Loan Board and the Fisheries and Aquaculture Loan Board. The loan boards provide long-term credit at fixed interest rates, and counseling services on lending matters. The New Entrants Program, under the Farm Loan Board, is designed to attract new farmers to the industry and address industry renewal. Specific loan programs are available to industry to deal with market opportunities and challenges. The Fisheries and Aquaculture Loan Board provides loans for the purchase of commercial fishing vessels and equipment, as well as for aquaculture capital investment.

Market services works closely with industry to address marketing and trade needs and offers a range of services including market research and intelligence, trade mission support, market advice and investigation, and development of market opportunities. Staff collaborate with federal/ provincial and private sector partners on marketing and promotional campaigns directed at international and domestic markets. Trade policy and issues are becoming increasingly complex and the department works with industry and government agencies, at national and international levels, to address matters such as new US cross-border regulations directed at bioterrorism and which have significant implications for NS seafood.

The Taste of Nova Scotia Restaurant Program and Taste of Nova Scotia Quality Food Program are marketing partnerships with industry to brand Nova Scotia food products and promote Nova Scotia as a food destination for the tourism trade. The programs are highly successful and will play a key role in the development of broader branding initiatives under the Canada-Nova Scotia Implementation Agreement for the APF and the provincial government's Brand Nova Scotia initiative.

Product and quality development programs are designed to encourage primary and secondary producers in the agriculture, aquaculture, and fishing industries to produce new and value-added

products and systems. Staff provide professional support and assist seafood and agri-food businesses investigate new processes, technologies, packaging and products, as well as address barriers to commercialization. Funds are leveraged with funding from federal and business sources.

The department provides business development and economic analysis services. Activities focus on development of alliances and partnerships across the market chain, provision of interactive business processes and delivery of technical business resources and training. A key component of the department's business development role is to provide industry with strategic and tactical support to address renewal and increase competitiveness in domestic and export markets. This includes provision of industry strategies and risk assessments, delivery of a business library targeted to client needs and development of business and investment prospectus on identified growth opportunities.

Commercial fisheries development actively defends the interests of Nova Scotia at federally-led resource management and allocation discussions. It monitors activities regarding offshore oil and gas development and provides information on fisheries and industry concerns to managers of the energy sector. Staff also work with federal counterparts and industry stakeholders on the development of non-traditional fisheries, which offer potential for additional economic activities in coastal communities. Eight fisheries field staff located in coastal communities throughout the province provide single window access to departmental programs and frontline input on industry issues. This community-based approach allows for efficient delivery of services in all fisheries program areas.

Fisheries and aquaculture innovations provides seed money to community and industry groups for new development and infrastructure projects in fisheries harvesting technologies, fish processing, aquaculture and coastal community infrastructure. Program funding is leveraged with funds from industry and community sources. Innovation and an entrepreneurial spirit are behind the success and renewal of Nova Scotia's boat building sector. The industry is leading edge in the adoption of new technology in vessel construction. In addition to construction of fishing vessels, it has diversified into construction of pleasure craft largely for the export market.

Aquaculture has a potential to create jobs in coastal areas. There are 422 sites in Nova Scotia. Major aquaculture species include mussels, oysters, marine plants, trout, and salmon. Aquaculture development and extension staff work with aquaculture operators to investigate opportunities for new species development, such as halibut and cod.

The department's two fish hatcheries produce trout that are used to stock urban and rural lakes throughout the province and to help maintain the economic activity generated by recreational anglers. These initiatives diversify recreational fishing opportunities (winter fishing and non-traditional species) strengthen and grow the sportfishing sector of the province.

Core Business Area: Responsible governance

The orderly development of the agri-food and seafood sectors requires a regulatory environment that enables business development, establishes a level playing field, and is not unnecessarily burdensome for business operators. At the same time, it must be directed to protecting consumer safety and maintaining public confidence throughout the food supply chain. The department is responsible for licensing, leasing, and issuing of permits for fur farms, aquaculture, rockweed harvesting, and fish buying and processing. There are 2600 registered farms, 285 fish processing plants, 435 fish buyers, 422 aquaculture sites, and 6,000 retail food outlets and restaurants in Nova Scotia. The fur (mink) sector has experienced strong growth and there are 135 registered fur farms. Rockweed harvesting is conducted by two companies, one of which is the major player, and has invested heavily in marine plant research and innovative technology.

The department also administers Fisheries Organization Support Act (FOSA) to allow for accreditation of fisheries organizations and enable them to collect mandatory membership dues from fishers. This framework enables the voluntary formation and maintenance of strong registered organizations to represent fishermen in an increasingly complex and challenging environment. This supports a more orderly and efficient industry in rural areas of Nova Scotia.

Fisheries licensing and enforcement delivers an inspection and compliance function in the areas previously mentioned. This function is aimed at guarding against illegal activity in the seafood business, ensuring consumer safety and the integrity of the food supply, and minimizing impacts to the environment from farming and aquaculture activities.

Public awareness of food and consumer safety has intensified. Food safety addresses product quality throughout the food chain through its Food Safety Program, Meat Inspection Program and Laboratory Services Program. Staff carry out inspections of restaurants, and food processing and retail establishments. Staff also provide training to industry and community groups on proper food handling to minimize the risk of food-borne illnesses. Animal health issues do not have direct implications for consumers but can have serious economic consequences for farmers through loss of consumer confidence in their products. The department's disease prevention and management staff, together with veterinary and laboratory services, provide advice, diagnostic and analytical assessments on a broad range of animal health issues.

Aquatic animal health is a cornerstone of sustainable fishery and aquaculture industries. The department is working with the federal government to put in place a system that is equivalent to that of terrestrial animal health programs. This initiative known as the National Aquatic Animal Health Program will address issues such as the outbreak of important aquatic diseases, food safety and zoonotic diseases (diseases passed from animals to humans).

The department is responsible for the coordination of regulated marketing boards for the agriculture sector and carries out these activities through the Natural Products Marketing Council (NPMC) under the Natural Products Act and Dairy Industry Act. The NPMC delegates or regulates authority to ten marketing boards specific to their farm product(s). The NPMC balances industry interests with the broader public interest. It acts to stimulate and improve production and supply of regulated products and advises the government on policy and governance issues.

Core Business Area: Education and life long learning

The department, through the Nova Scotia Agricultural College, offers a broad range of post secondary educational programs, training and research for the agriculture and aquaculture industries. The NSAC is the centre of agricultural research and innovation for the region, having the unique mandate for providing research and education in applied life sciences and agriculture for Atlantic Canada. Major focus areas for academic and applied research include climate change, horticulture, organic agriculture, animal husbandry, product quality enhancement, and water, soil and farm waste management. The NSAC houses the Organic Agriculture Centre of Canada, which works in collaboration with colleges and universities across Canada. Although a relatively small institution, the NSAC has earned national and regional recognition for its ability to attract research funding. It ranks in the top third of Canadian universities in research intensity, and leads in research in the Atlantic region alongside Dalhousie University. In 2004-2005, over 60 post-graduate students pursued advanced education and research training, most in partnership with industry. These and other activities are vital for stability and sustained growth in Nova Scotia's agricultural and aquaculture sectors.

AgriTECH Park is a business development site mandated to support growth, development and innovation in the agriculture industry. Positioned as "Atlantic Canada's Bio-Economy Village", AgriTech focuses on commercialization of research and development initiatives; knowledge brokering to create new value in the agri-food sector including new product development, services and technologies; and public and private sector industry support services including business planning, market research and statistical analysis.

The 4-H program is a youth development program focusing on leadership and skill development and provides rural youth life-long skills. Established over 80 years ago, the program remains popular with rural youth. The program seeks to enhance understanding and knowledge of Nova Scotia's agriculture industry through hands-on experiences and mentors youth in developing a range of life skills, such as public speaking, community activism and volunteerism, networking and team building. 4-H members also act as ambassadors for the farming community and are active in raising public awareness of the economic and social importance of the industry to Nova Scotia. The program has been expanded to include an aquaculture 4-H component. The Nova Scotia 4-H Council has strong working linkages with the Canadian 4-H Council and other provincial 4-H Councils.

Corporate Support

Corporate services are composed of the offices of the Minister and Deputy Minister together with policy and planning services which provide centralized support for policy research and development, business and long-range planning, legal and legislative, Occupational Health and Safety, records and information management, and administration of the Freedom of Information and Protection of Privacy Act. Communications provide a range of specialized external and internal communications services including media relations. Human resources, information technology and financial services are provided through the Resources Corporate Services Unit.